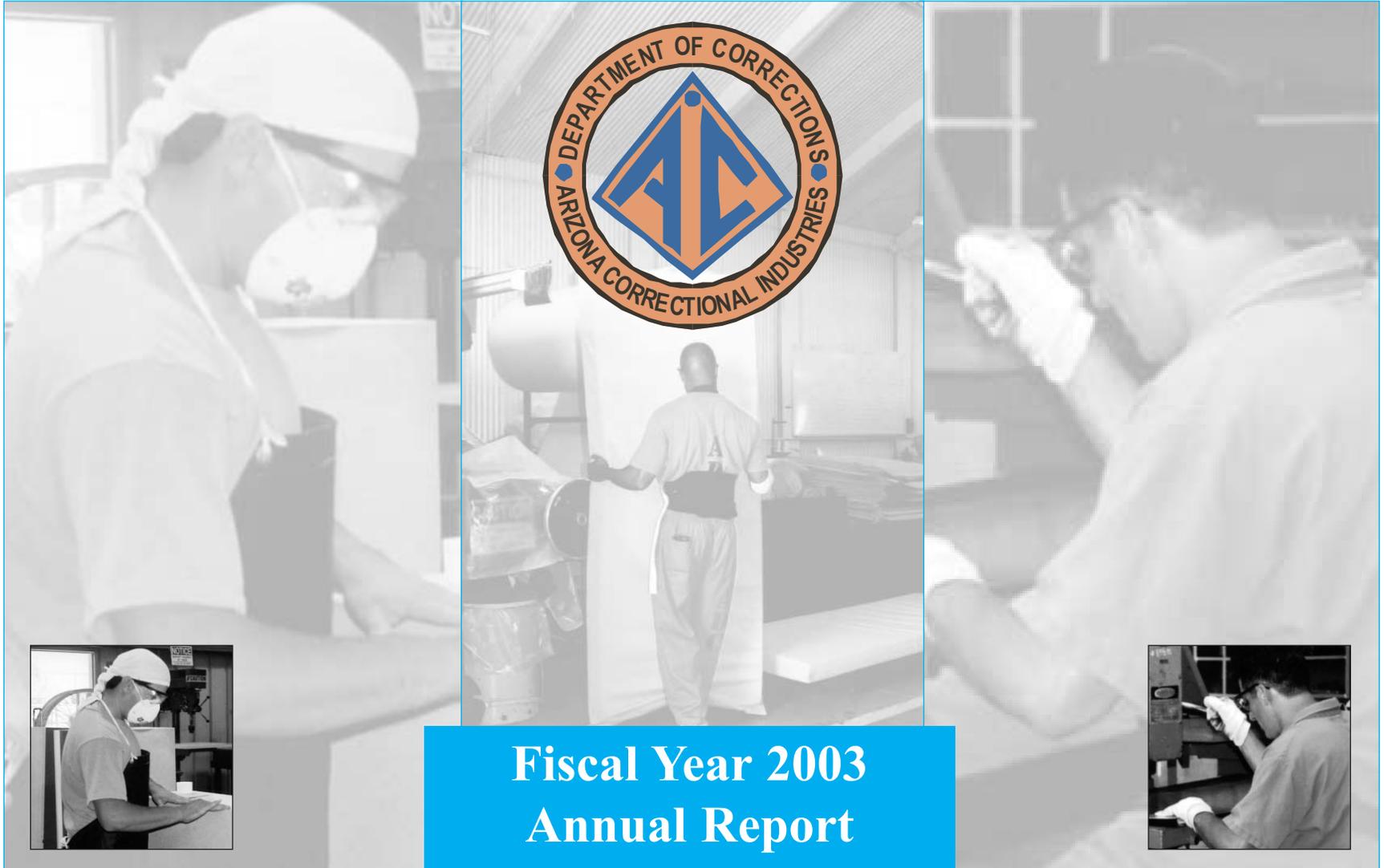
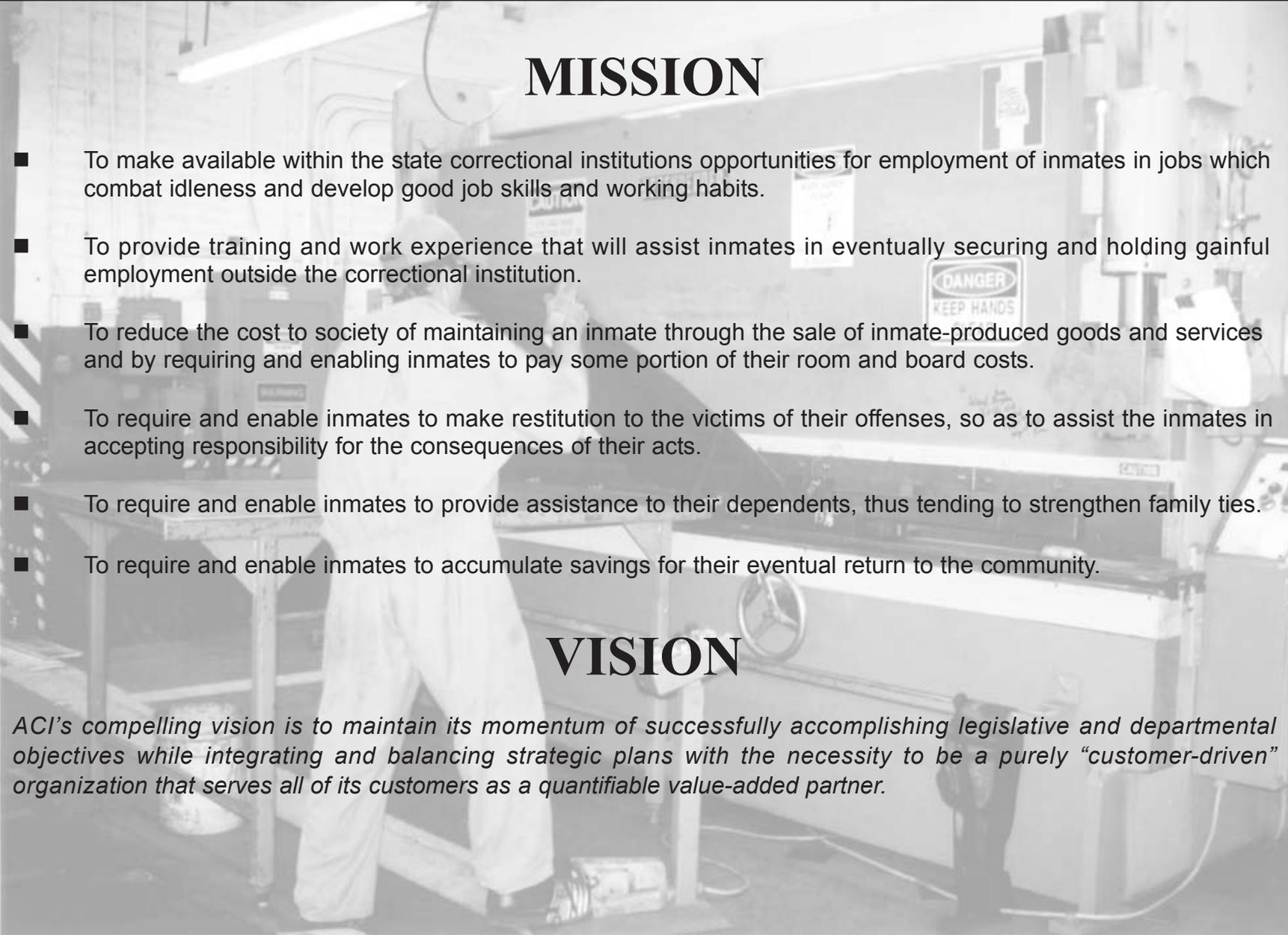


# ARIZONA CORRECTIONAL INDUSTRIES





## MISSION

- To make available within the state correctional institutions opportunities for employment of inmates in jobs which combat idleness and develop good job skills and working habits.
- To provide training and work experience that will assist inmates in eventually securing and holding gainful employment outside the correctional institution.
- To reduce the cost to society of maintaining an inmate through the sale of inmate-produced goods and services and by requiring and enabling inmates to pay some portion of their room and board costs.
- To require and enable inmates to make restitution to the victims of their offenses, so as to assist the inmates in accepting responsibility for the consequences of their acts.
- To require and enable inmates to provide assistance to their dependents, thus tending to strengthen family ties.
- To require and enable inmates to accumulate savings for their eventual return to the community.

## VISION

*ACI's compelling vision is to maintain its momentum of successfully accomplishing legislative and departmental objectives while integrating and balancing strategic plans with the necessity to be a purely "customer-driven" organization that serves all of its customers as a quantifiable value-added partner.*



## ***ARIZONA CORRECTIONAL INDUSTRIES***

A DIVISION OF ARIZONA DEPARTMENT OF CORRECTIONS

Dora B. Schriro, Director  
Arizona Department of Corrections  
1601 West Jefferson  
Phoenix, Arizona 85007

Dora B. Schriro, Director  
Page 2

Dear Director Schriro:

It is my privilege on behalf of the staff and inmate workers assigned to Arizona Correctional Industries (ACI) to present the Annual Report for Arizona Correctional Industries for Fiscal Year 2003.

The FOCUS of this year's annual report is dedicated to the very important subject of recidivism. One of the fundamental motivating factors which serves to fuel ACI's continuous efforts to enhance existing prison industry enterprises and exploit new opportunities is the untiring conviction that ACI work programs make a significant difference in the lives of inmates, both now and in the future. As Correctional Industry professionals, ACI subscribes fervently to the belief that the skills and work habits inmates learn while engaged in prison industry work programs, in combination with the self-esteem they gain, will significantly contribute to their successful transition back to society.

This underpinning premise was reinforced recently by the results of the formal longitudinal research completed by the Arizona Department of Corrections Research Unit, which found that prison industry programs were the most effective of all rehabilitative programs in reducing recidivism. The study specifically revealed that Arizona inmates who worked in prison industry work programs were 33.4 percent less likely to return to prison than were inmates who did not participate in ACI work programs.

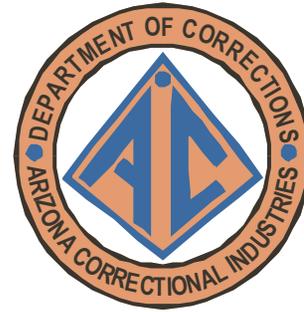
By extrapolating and applying these results to the total of 13,529 inmates who had participated in ACI work programs and were released between 1990 and 2002, researchers were able to conclude that 923 fewer inmates would return to prison exclusively due to the benefits of their ACI experience. In addition to the successful transition of 9,202 inmates, this remarkable achievement translates to a reduction in recidivism which saved Arizona taxpayers almost \$49 million in incarceration costs.

ACI looks forward to the future with great enthusiasm and an untiring commitment under your direction to enhance both the quality and number of inmate work opportunities within the Arizona Department of Corrections.

Sincerely,

A handwritten signature in black ink, appearing to read 'John J. Spearman', written over a white background.

John J. Spearman  
Assistant Director



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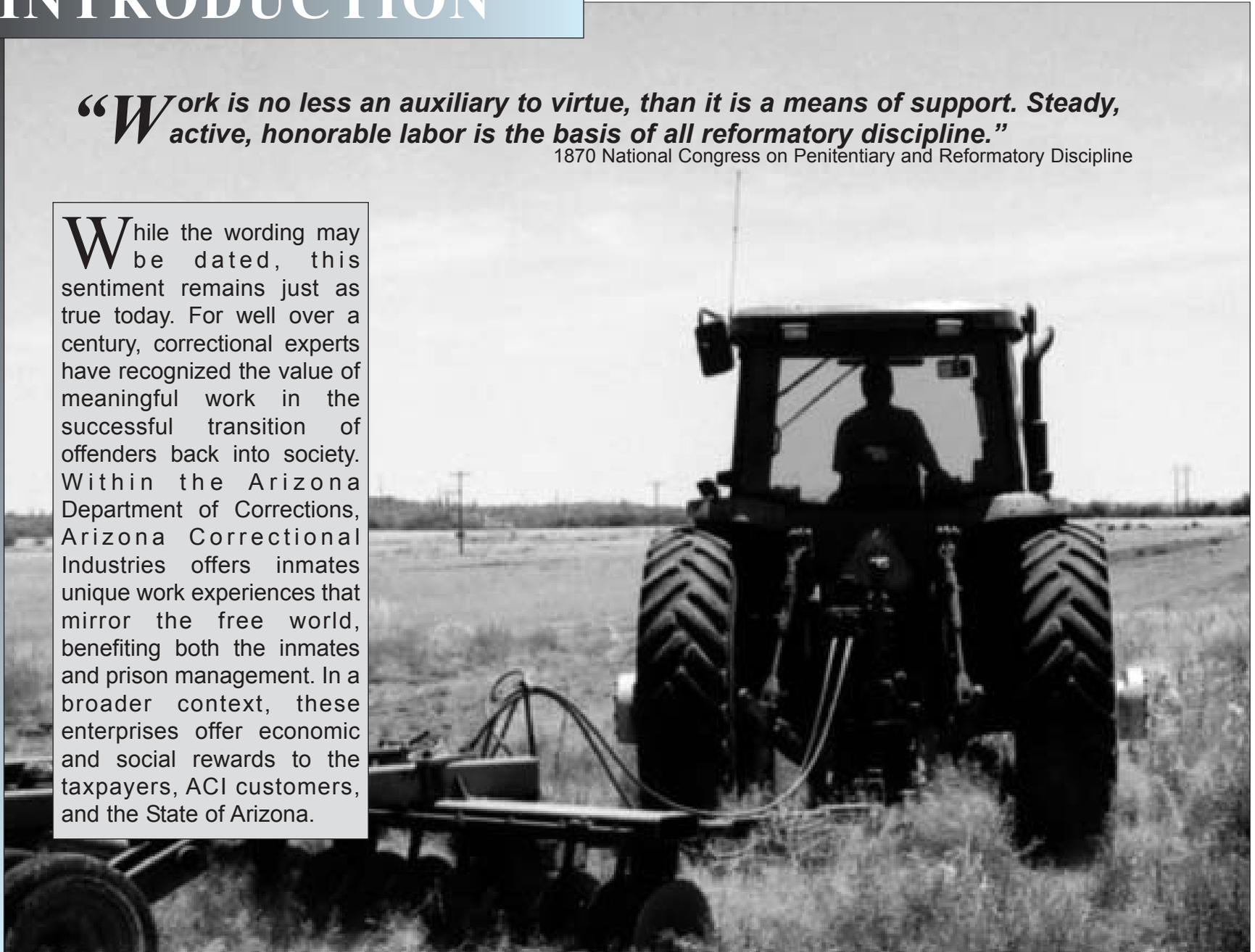
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# INTRODUCTION

***“Work is no less an auxiliary to virtue, than it is a means of support. Steady, active, honorable labor is the basis of all reformatory discipline.”***

1870 National Congress on Penitentiary and Reformatory Discipline

While the wording may be dated, this sentiment remains just as true today. For well over a century, correctional experts have recognized the value of meaningful work in the successful transition of offenders back into society. Within the Arizona Department of Corrections, Arizona Correctional Industries offers inmates unique work experiences that mirror the free world, benefiting both the inmates and prison management. In a broader context, these enterprises offer economic and social rewards to the taxpayers, ACI customers, and the State of Arizona.



# Inmates



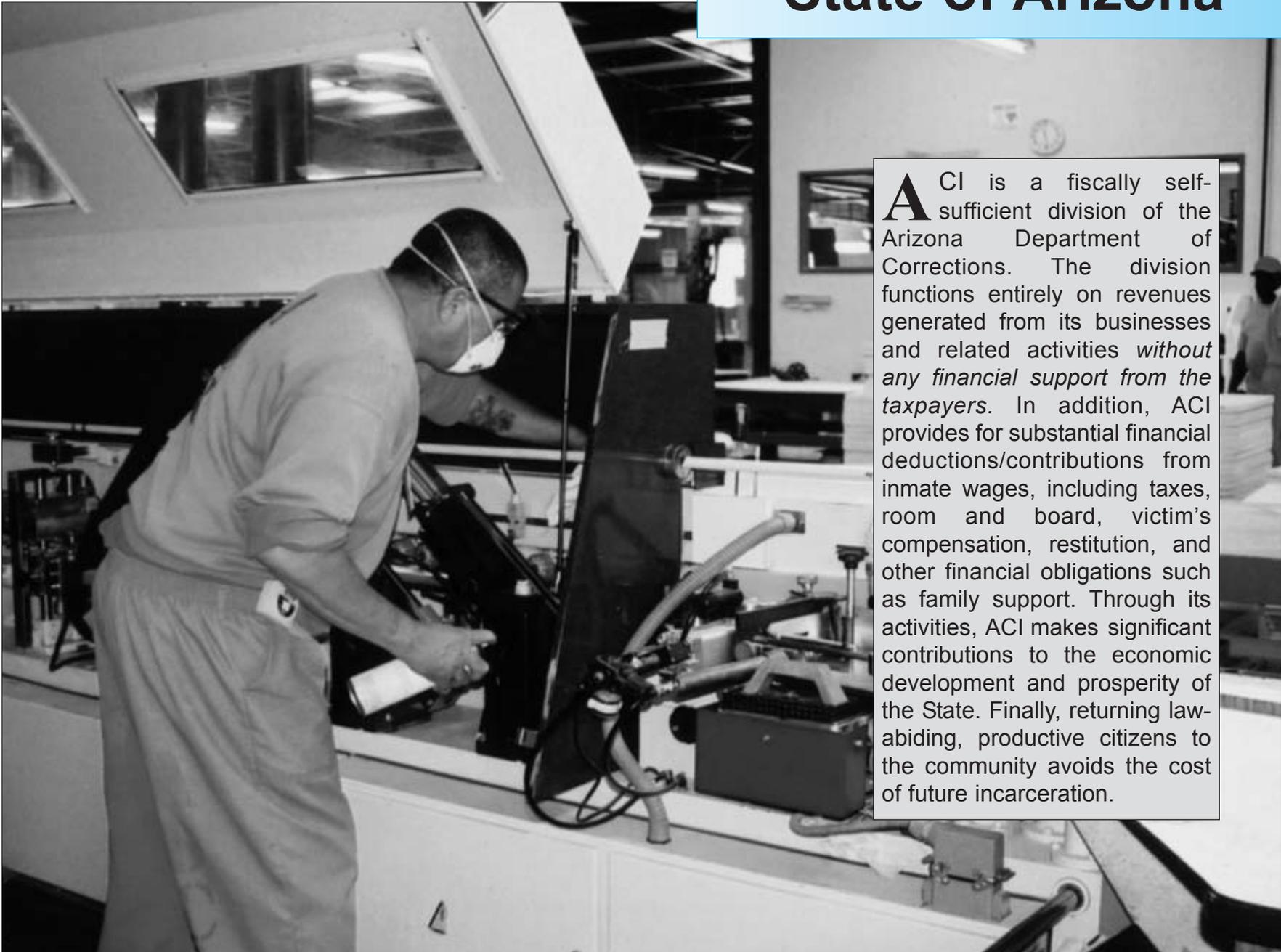
**M**any inmates enter prison without basic job skills and good work habits. ACI offers inmates the opportunity to acquire the knowledge and behavior necessary to return to the community as law-abiding and productive citizens. ACI provides inmates with the chance to learn marketable job skills, to develop a sound work ethic, and to experience self-confidence and pride in their work, while also forming legitimate, constructive working relationships. Inmates take responsibility for their families through wage deductions and accumulate savings to assist them in their transition back into society.

# Institutions

**A** CI represents an important and beneficial prison operations program by assisting administrators in the day-to-day management of prisons. Prison industries significantly contribute to the safety and security of staff and inmates by combating inmate idleness and reducing costly disruptive behavior. Inmates understand that assignment to an ACI job is a privilege that must be earned and maintained. This serves to motivate inmates to comply with institutional requirements and provides prison administrators with a valuable program of rewards for inmates who exhibit desirable attitudes and behaviors.



# State of Arizona



ACI is a fiscally self-sufficient division of the Arizona Department of Corrections. The division functions entirely on revenues generated from its businesses and related activities *without any financial support from the taxpayers*. In addition, ACI provides for substantial financial deductions/contributions from inmate wages, including taxes, room and board, victim's compensation, restitution, and other financial obligations such as family support. Through its activities, ACI makes significant contributions to the economic development and prosperity of the State. Finally, returning law-abiding, productive citizens to the community avoids the cost of future incarceration.

# Customers

ACI facilitates the cost-effective use of taxpayer dollars by offering a wide selection of quality products and services to the Arizona Department of Corrections and other tax-supported entities. In addition, ACI has formed successful partnerships with other state agencies and local governments to provide inmate labor for their operations. ACI helps to reduce the cost of their operations, while enabling them to increase the timeliness and quality of the service they provide to their customers—the citizens of Arizona. ACI also enters into partnerships with private sector businesses unable to meet their work force requirements through the free-world labor market. These Partners gain a dependable local work force, enabling them to focus on running their business.

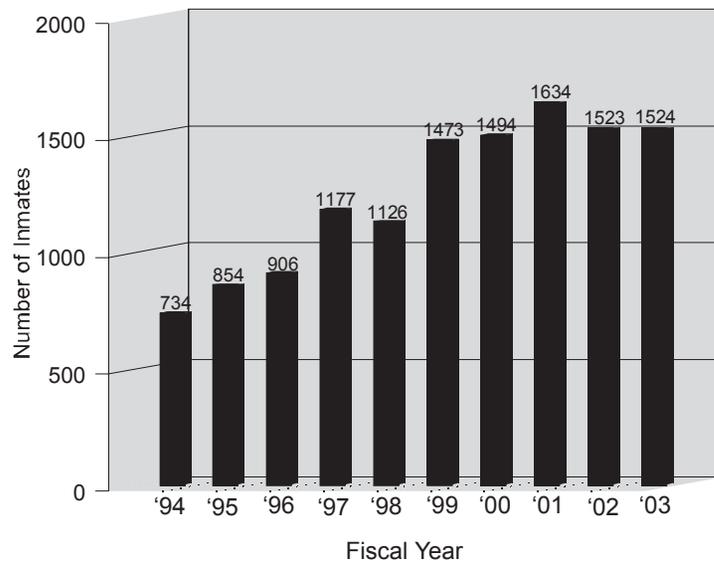




# HISTORICAL PROFILE

## INMATES EMPLOYED

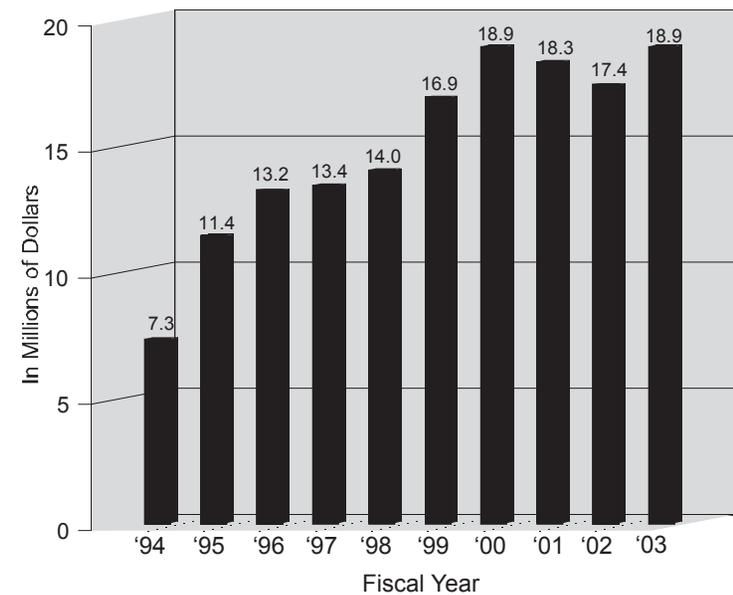
(Monthly Average)



## COUNTING INMATE WORKERS

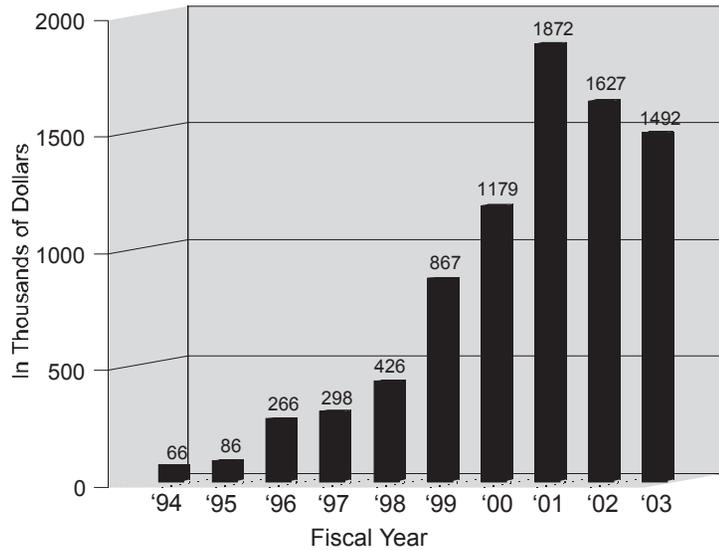
Throughout this report, "Inmates Employed" reflects the actual number of inmates that worked for ACI during the year, regardless of the number of hours per day or the duration of the assignment. By capturing information about all positions, as well as turnover, this method of calculation enables ACI to report the exact number of inmates who have had the opportunity to benefit from ACI work programs.

## HISTORY OF REVENUES



## INMATE WAGE

### CONTRIBUTIONS

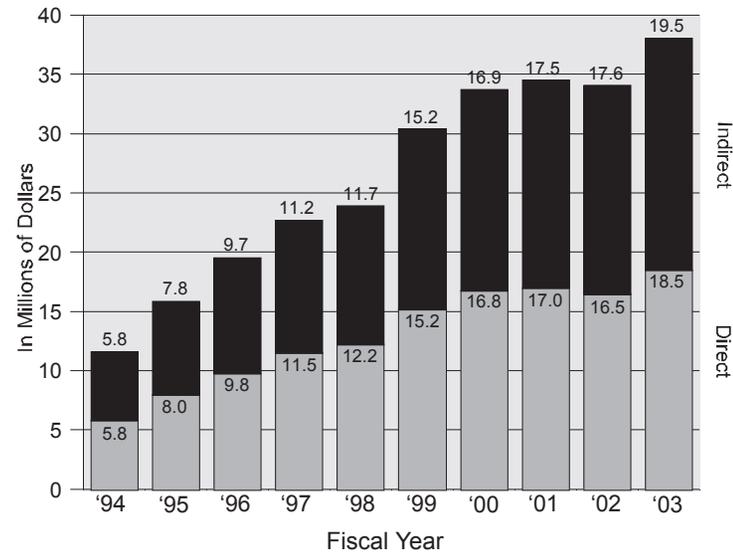


Contributions/deductions from inmate wages include taxes, cost of incarceration, victim's compensation, restitution, and other financial obligations, including family support.



## ACI CONTRIBUTIONS

### TO THE ARIZONA ECONOMY



Direct contributions represent expenditures for goods and services, and staff compensation. Indirect contributions represent demand for goods and services created by ACI operations and enterprises.

# ORGANIZATIONAL OVERVIEW

Arizona Correctional Industries reports to the Director of the Department of Corrections through the Deputy Director of Prison Operations. This structure ensures that ACI activities complement those of Prison Operations and allows for maximum coordination between ACI and the prisons. In addition, ACI's strategic plans are developed in alignment with Prison Operations' goals, to contribute to their achievement.

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## **ACI BOARD OF DIRECTORS**

ACI's business and financial operations are reviewed periodically by the ACI Board of Directors. The Board is composed of the following members:

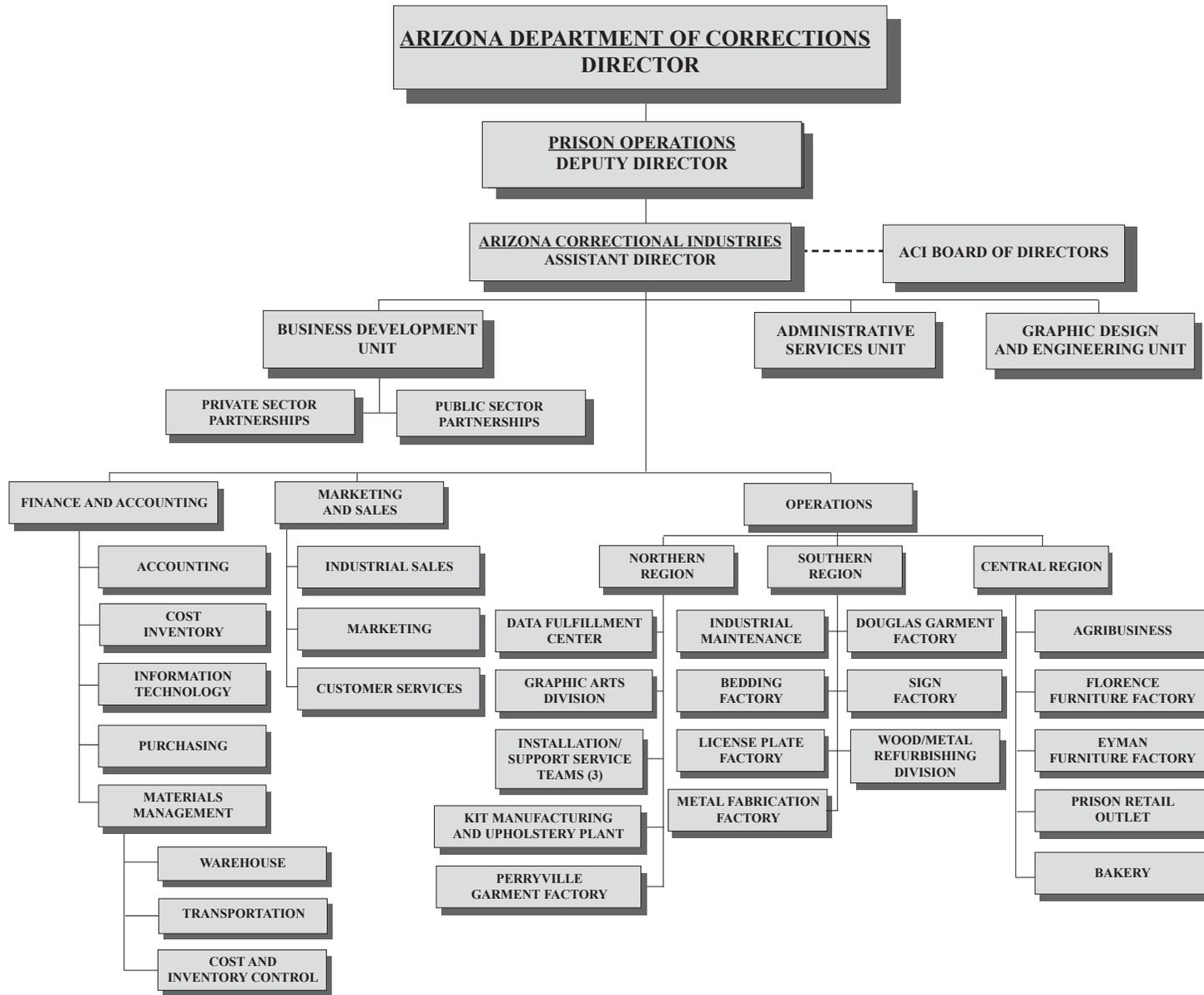
<b>Board Chair:</b>	<i>Dr. Dora Schriro</i> , Director, Arizona Department of Corrections
<b>Board Members:</b>	<i>Charles L. Ryan</i> , Deputy Director, ADC Prison Operations <i>Richard G. Carlson</i> , Deputy Director, ADC Administration <i>Michael J. Smarik</i> , Assistant Director, ADC Administrative Services Division <i>Frank Nageotte</i> , Retired President, Greyhound/Dial Corporation

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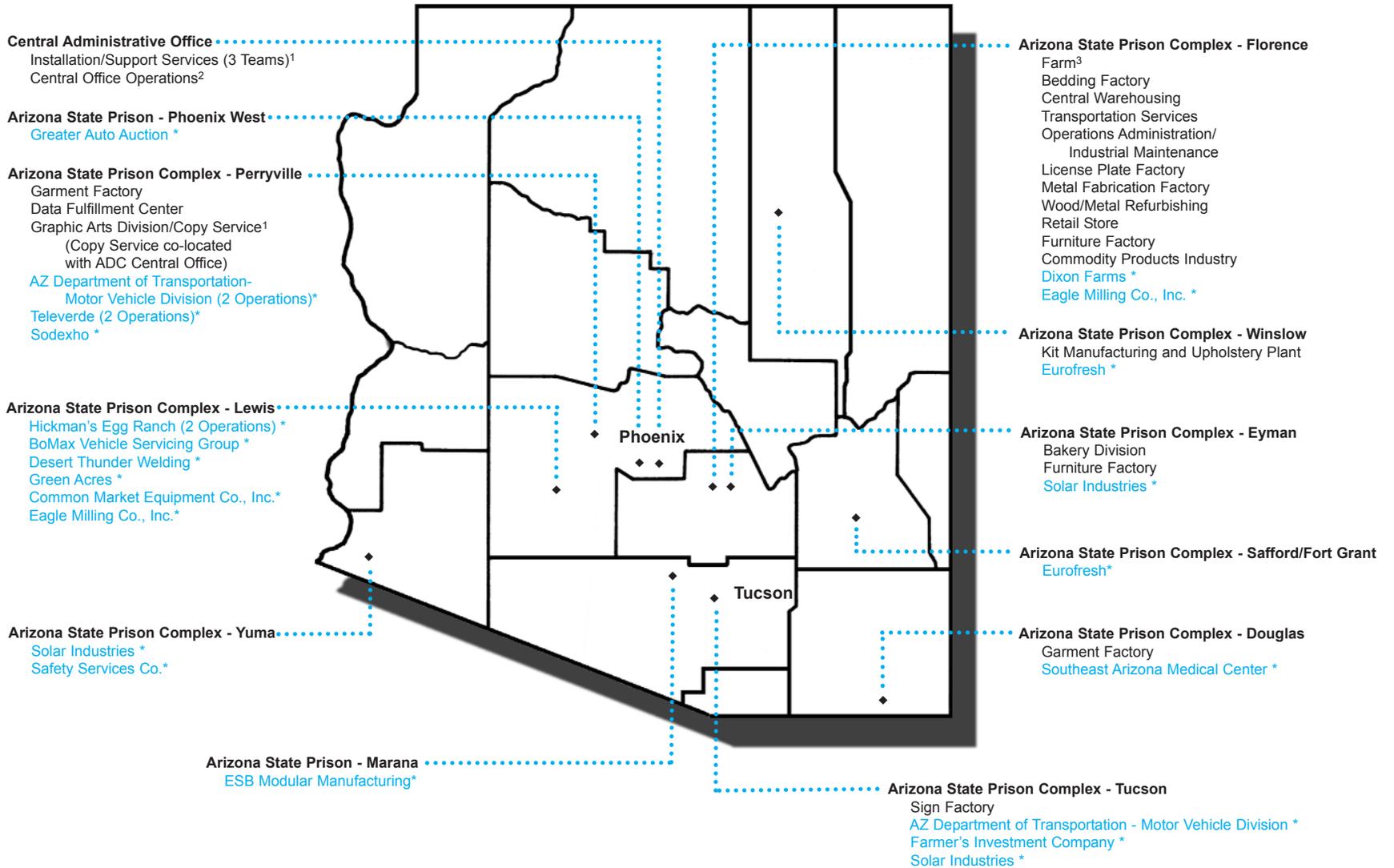
## **ACI FUNCTIONAL ORGANIZATIONAL STRUCTURE**

Structured along the lines of a traditional private enterprise, ACI industries and related activities are directed through three administrative units and three operational bureaus:

- **Administrative Services:** Provides support for all administrative functions, such as planning, personnel, legal affairs, and public information.
- **Business Development:** Responsible for development of Public and Private Sector Partnerships and compliance with the resulting inmate labor contracts.
- **Graphic Design and Engineering:** Provides state-of-the-art conceptual drawings and detailed manufacturing illustrations.
- **Finance and Accounting:** Responsible for all financial and accounting functions.
- **Marketing and Sales:** Responsible for all business activities associated with marketing and sales of ACI products and services.
- **Operations:** Responsible for all owned-and-operated manufacturing, production, and service facilities and activities.



# MAP OF ACI OPERATIONS

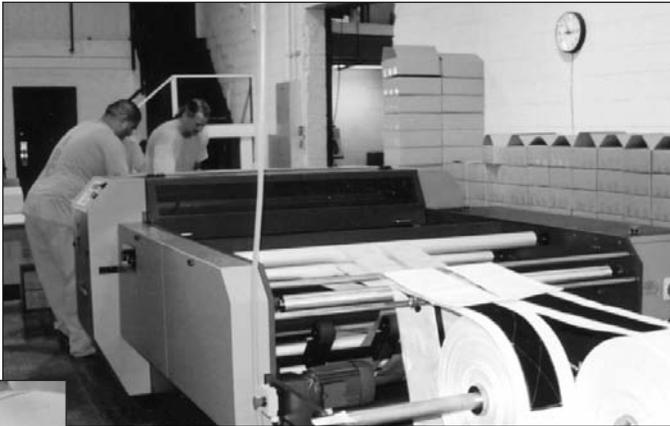


\* Public/Private Sector Partnerships

<sup>1</sup> Inmate workers from Arizona State Prison - Phoenix West

<sup>2</sup> Inmate workers from Arizona State Prison Complex - Perryville

<sup>3</sup> Also employs inmates from Arizona State Prison - Florence West



# MAJOR ACCOMPLISHMENTS

ACI is proud to report the following major accomplishments for Fiscal Year 2003:

## FINANCIAL AND OPERATIONAL ACCOMPLISHMENTS

- Generated total revenues of \$18,942,570 from goods and services.
- Maintained debt-free operations.
- Provided daily work opportunities for an average of 1,524 inmates in ACI work programs.
- Paid more than \$5 million in inmate wages.
- Provided for the following deductions from inmate wages:

Returned a total of \$971,310 to the State General Fund for room and board.

Contributed \$70,371 to the Victim's Compensation Fund.

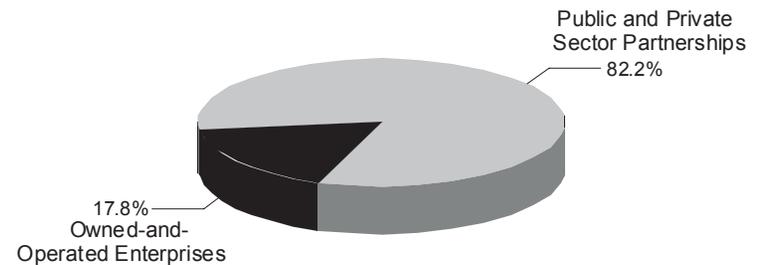
Distributed \$108,236 to the Alcohol Abuse and Treatment Fund.

Supervised distribution of federal, state, and FICA taxes of \$96,806.

- Contributed \$1 million to the State General Fund for the fifth year in a row.
- Paid \$1.8 million in Correctional Officers' salaries.

## SOURCE OF INMATE WAGES

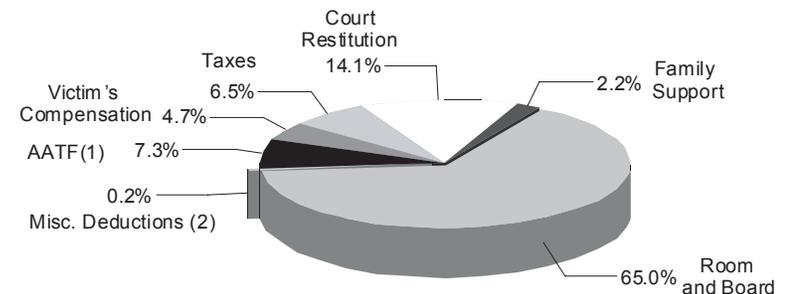
FOR FY 2003



TOTAL: \$5,068,569

## DISTRIBUTION OF INMATE WAGES

FOR FY 2003



TOTAL: \$1,492,076

(1) Alcohol Abuse and Treatment Fund

(2) Includes such deductions as disciplinary and compassionate restitution and filing fees.

## INDUSTRY EXPANSION AND GROWTH

### NEW ENTERPRISES

#### ASPC-Florence

*Commodity Products Industry*—ACI's plastic bag manufacturing operation is Phase One of this new, multiphase Commodity Products Factory, which will ultimately produce plastic bags, corrugated boxes, and paper products.

### NEW PRIVATE SECTOR PARTNERSHIPS

#### ASPC-Lewis

*Common Market Equipment Company, Inc.*—A wholly-owned subsidiary of Swift Transportation Company, CME repairs Swift Transportation Company trucks that have been involved in vehicular accidents throughout the United States.

*Eagle Milling Company, Inc.*—ACI entered into its second partnership with Eagle Milling Company, which processes and packages animal feed.

#### ASPC-Yuma

*Safety Services Company*—Operating a business-to-business telemarketing center, Safety Services Company markets packages of occupational safety-related information to assist companies in complying with OSHA requirements specific to their state.

#### ASPC-Winslow

*Eurofresh*—Tomatoes are grown and harvested in this 20-acre hydroponic greenhouse operation. This is the company's second facility in Arizona, both of which employ ACI inmate workers.

## ECONOMIC IMPACT\*

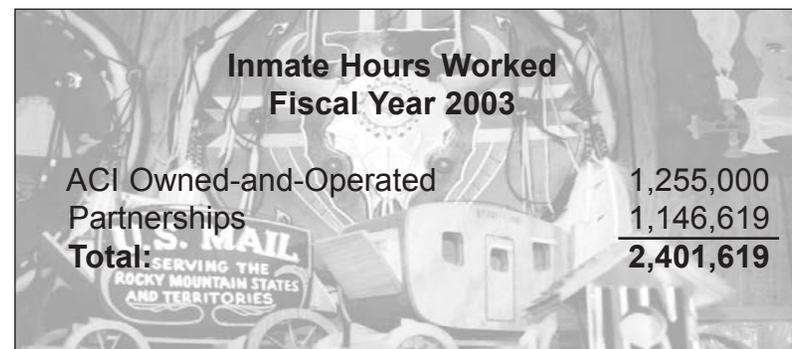
In addition to the financial accomplishments noted, ACI created the following economic impact for Fiscal Year 2003, without any appropriated funding:

ACI operations contributed directly and indirectly to the economic prosperity of the State of Arizona through expenditures for materials, supplies, and outside services totaling nearly \$14.6 million.

Staff salaries amounted to \$4 million for the year, creating more than \$3.1 million in demand for goods and services.

ACI expenditures resulted in further indirect economic impact, including the creation of 351 new jobs and a corresponding demand for \$16.4 million for additional goods and services.

\* Source - Arizona State University Center for Business Research



ACI Owned-and-Operated	1,255,000
Partnerships	1,146,619
<b>Total:</b>	<b>2,401,619</b>

# FOCUS: REDUCING RECIDIVISM

**D**epartment of Corrections officials have long maintained that inmates who have benefited from the training, experience, and skills offered by ACI will be less likely to re-engage in criminal behavior and therefore less likely to return to prison. A recently completed study resoundingly validated this belief:

## ACI Work Programs Reduce Recidivism By 33.4 Percent

The rigorously designed study involved follow-up of 54,660 inmates released from ADC custody between 1990 and 1999. The study concluded that ***“prison industry programs were found to be the most effective of all rehabilitation programs in reducing recidivism.”*** The inmates who participated in ACI work programs while incarcerated were 33.4 percent less likely to return to prison than were inmates who did not participate in ACI work programs. Through the application of a “recidivism risk profile,” it was further proven that, prior to their participation in ACI work programs, ACI inmate workers were actually at a higher risk for recidivism than were inmates who did not participate.

For the purpose of this study, recidivism was defined as the return to prison of a released offender for a new felony conviction.

**T**ranslating these results into prison population and financial impact for the 12-year period between 1990 and 2002, researchers concluded that as a direct result of ACI programs:

**923 Fewer Inmates Returned To Prison**

**\$49 Million Were Avoided In Incarceration Costs**



**T**hese results are even more dramatic when placed in the context of the national recidivism crisis. While crime rates have declined nationwide since 1994, prison populations have continued to rise. Much of this increase can be attributed to recidivism (defined as return to prison for *any* reason). Volumes of research have been devoted to assessing correctional programs in search of “what works, what doesn’t work, and what’s promising” in reducing recidivism. The majority of research remains inconclusive and current figures are anything but promising: more than 95 percent of offenders return to the community; 51.8 percent of those return to prison. Here in Arizona, however, research has proven that ACI programs are successful in reducing recidivism. Both the quality of ACI work programs and the quality of the research can serve as models to others in search of “what works.”

\* Source - Management & Training Corporation Institute, 2003; Bureau of Justice Statistics, 2002

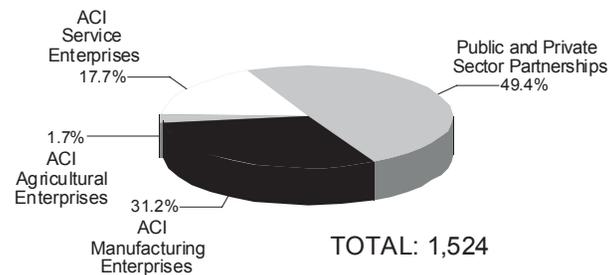
# OPERATIONS PROFILE

**A**CI Prison Industry Enterprises consist of two primary types of operations: ACI Owned-and-Operated work programs and Public/Private Sector Partnerships. These programs offer inmates the opportunity to acquire marketable job skills in a diverse range of trades and professions.

## TOTAL INMATES EMPLOYED

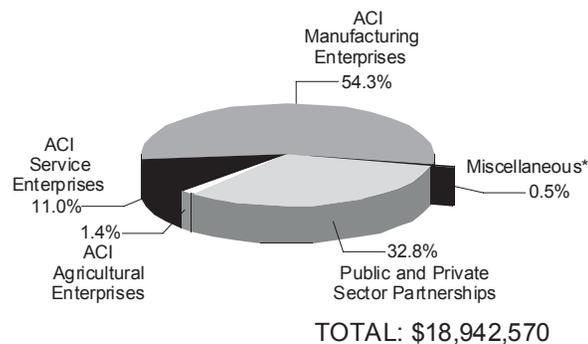
IN ALL OPERATIONS

(Monthly Average)



## REVENUES

FOR ALL OPERATIONS



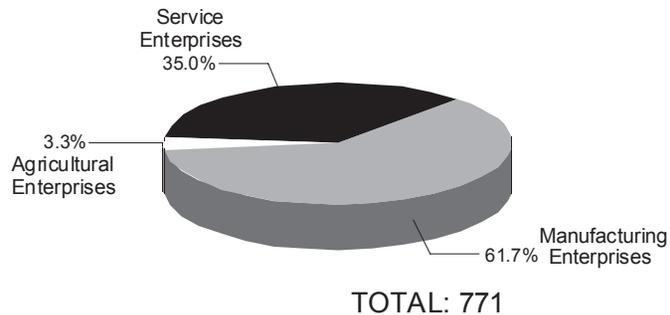
\*Includes such sources as interest income.

# Owned-and-Operated Enterprises

ACI Owned-and-Operated Prison Industry Enterprises employ inmates in a total of 22 manufacturing, service, and agricultural operations located in eight prisons throughout the state.

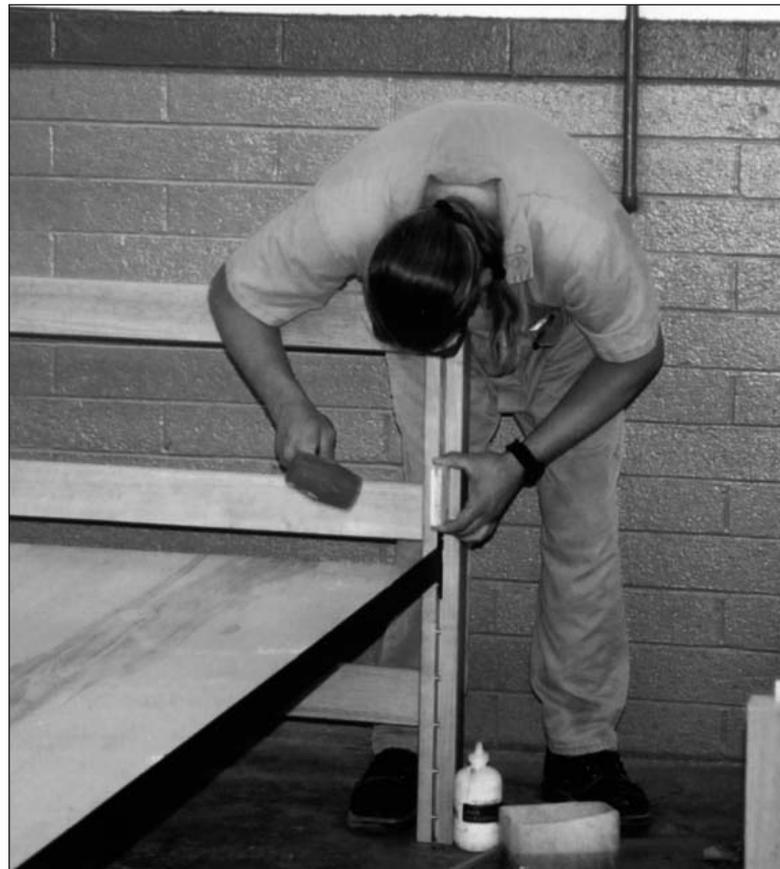
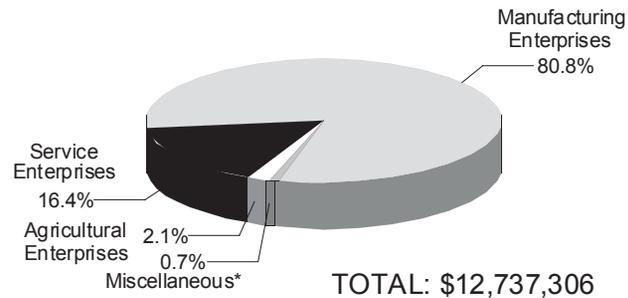
## INMATES EMPLOYED

IN ACI OWNED-AND-OPERATED INDUSTRIES  
(Monthly Average)



## REVENUES

FOR ACI OWNED-AND-OPERATED INDUSTRIES



\*Includes such sources as interest income.

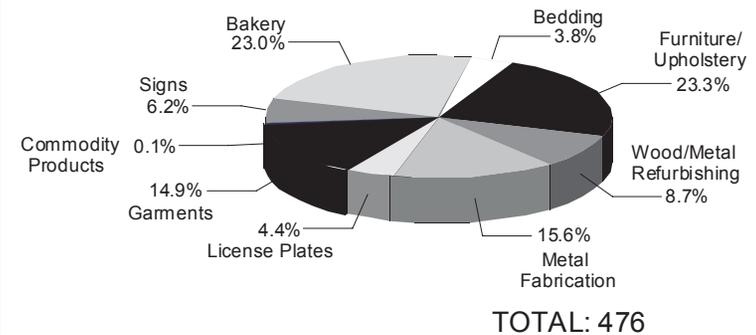
# Manufacturing Enterprises



## INMATES EMPLOYED

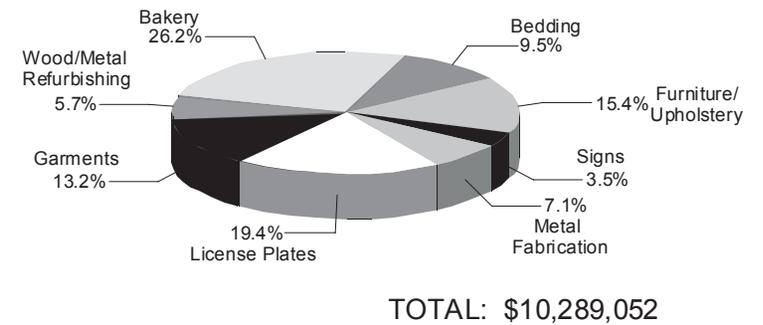
BY ACI MANUFACTURING ENTERPRISE TYPE

(Monthly Average)



## SALES

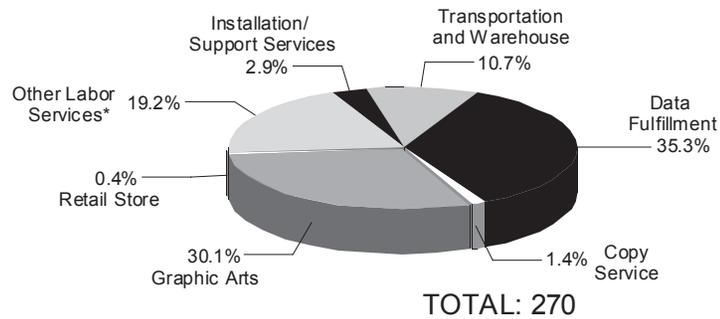
BY ACI MANUFACTURING ENTERPRISE TYPE



# Service Enterprises

## INMATES EMPLOYED

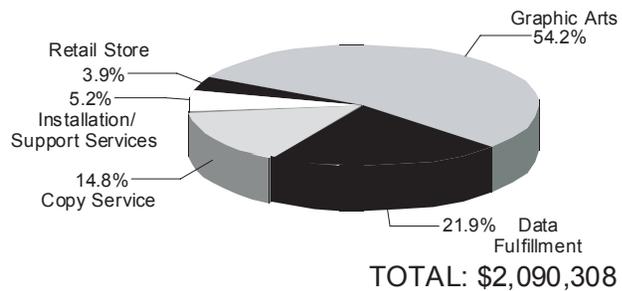
BY ACI SERVICE ENTERPRISE TYPE  
(Monthly Average)



\*Includes clerical and administrative jobs for areas that do not generate revenue in ACI's Central Office, regional operations centers, and maintenance.

## SALES

BY ACI SERVICE ENTERPRISE TYPE



Transportation/Warehouse and Other Labor Services have been omitted because they are support functions not involving sales.



# Public/Private Sector Partnerships

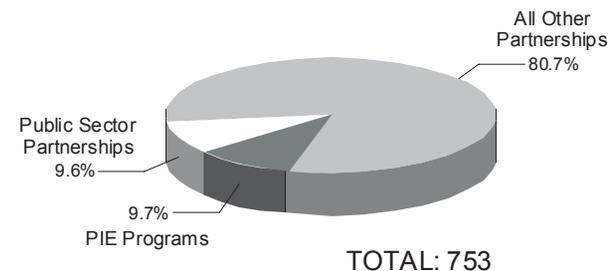
ACI's partnerships with other governmental agencies, as well as private sector enterprises, have resulted in the most promising and sought-after inmate work opportunities within the prison system. In Fiscal Year 2003, approximately 50 percent of all ACI workers were assigned to one of ACI's 24 Public/Private Sector Partnerships located in 11 prisons throughout Arizona.

Since 1998, the number of inmates employed by ACI Public/Private Sector Partnerships has increased by 238 percent, with Partnership jobs now accounting for nearly 50 percent of all ACI work opportunities. These assignments offer inmates the most valuable work experience and the best wages available within the Department of Corrections. ACI engages in two types of Partnerships:

**Public Sector**—These contracts supply inmate workers for other state agencies, to provide more efficient service and use of tax dollars.

**Private Sector**—These contracts provide private sector companies with inmate labor for hard-to-fill labor needs. Prison Industry Enhancement (PIE) Certification Programs are a subcategory of Private Sector contracts requiring adherence to additional guidelines.

**INMATES EMPLOYED  
IN PUBLIC/PRIVATE SECTOR PARTNERSHIPS ONLY**  
(Monthly Average)





# LETTER OF APPRECIATION

**R**ecidivism is typically measured by program, by state, or on a national level. The following letter from a former inmate, however, reminds us that returning to the community as a law-abiding citizen happens through hard work, one offender at a time.

April 6, 2003

Dear Mr. Spearman:

I am writing this to you in appreciation for all that Arizona Correctional Industries has given me. I am so very thankful for the training and experience I received while in Arizona State Prison.

I was incarcerated from May of 1996 until December of 2002, and spent the entirety of that time working in one format or another with the Arizona Correctional Industries (ACI). The quality and quantity of things I have learned by choice and with the assistance of ACI, has been the leading force in my current success within the public sector.

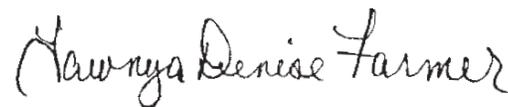
When I arrived in Prison, my confidence, courage and drive to find a better life was all but non-existent. It's very easy, within the system to feel like you're nothing and nothing but a soul with a number. ACI was an intricate part in the healing process for me. . . .The position I now maintain is a gift and one that is partly mine thanks to ACI and all the Supervisors that gave me the trust and knowledge that I can do better, that I can be a productive part of society. I love life again, freedom is not frightening like I thought it would be, people are finding ways to trust me, when I thought it would never come my way again. Doors are opening and my life

has begun—Thank you, ACI, you are part of a puzzle that has given me the courage to reach for my dreams and the knowledge that if I reach, “Even I, the soul with nothing but a number” can attain those dreams.

ACI as a whole is a wonderful program, and I hope that it grows and continues to help others like it has helped me. I would most especially like to thank those who helped me individually and in depth: Mr. Spearman, Mr. Gregg Hillebrand, Mr. John Badley, Mr. Don Martin and all of his staff. These people are the foundation of a program that changed how I did my time in Prison, they changed my outlook and they have each changed my future in a hopeful and confident way.

Again, thank you, and I wish you all the best regards.

Sincerely,



Tawnya Denise Farmer (Formerly known as 120031),  
now titled “Manager”

**FISCAL YEAR 2003  
FINANCIAL STATEMENT**

**ARIZONA CORRECTIONAL INDUSTRIES  
UNAUDITED FINANCIAL STATEMENT  
JUNE 30, 2003 AND 2002**

**STATE OF ARIZONA  
DEPARTMENT OF CORRECTIONS  
ARIZONA CORRECTIONAL INDUSTRIES  
Statement on Net Assets-Enterprise Fund  
June 30, 2003 and 2002**

<b>Assets</b>	<b>2003</b>	<b>2002</b>
Current Assets:		
Cash in Bank and on Hand	\$76,471	\$49,576
Cash on Deposit with State Treasurer	4,395,382	4,741,327
Receivables:		
Accounts Receivable net	2,275,882	2,260,051
Interest Receivable	17,536	28,661
Inventories	2,676,481	2,631,839
Prepaid Expenses	52,228	125,408
Total Current Assets	<u>9,493,980</u>	<u>9,836,862</u>
Noncurrent assets:		
Capital assets, not being depreciated	692,438	692,438
Capital assets, being depreciated, net	2,000,952	2,212,632
Total noncurrent assets	<u>2,693,390</u>	<u>2,905,070</u>
Total Assets	<u>\$12,187,370</u>	<u>\$12,741,932</u>
 <b>Liabilities</b>		
Current liabilities:		
Accounts Payable	\$923,543	\$170,193
Accrued Payroll and Employee Benefits	134,918	126,305
Accrued Compensated Absences	248,348	231,663
Other Accrued Liabilities	73,176	267,498
Total Current Liabilities	<u>1,379,985</u>	<u>795,659</u>
 Net Assets:		
Invested in capital assets	2,693,390	2,905,070
Unrestricted	8,113,995	9,041,203
Total net assets	<u>\$10,807,385</u>	<u>\$11,946,273</u>

STATE OF ARIZONA  
DEPARTMENT OF CORRECTIONS  
ARIZONA CORRECTIONAL INDUSTRIES  
Statement of Revenues, Expenses, and Changes in  
Fund Net Assets - Enterprise Fund  
Year Ended June 30, 2003 and 2002

	2003	2002
Sales	\$18,847,869	\$17,194,992
Cost of Goods Sold	<u>17,410,242</u>	<u>15,457,044</u>
Gross Profit	<u>1,437,627</u>	<u>1,737,948</u>
Operating Expenses		
Selling	529,721	457,748
General and Administrative	<u>1,143,613</u>	<u>1,122,231</u>
Total Operating Expenses	<u>1,673,334</u>	<u>1,579,979</u>
Operating Income (Loss)	<u>(235,707)</u>	<u>157,969</u>
Nonoperating revenues (expenses):		
Investment income	97,047	224,762
Net loss on disposal of equipment	(2,654)	(4,312)
Depreciation expense on discontinued operations	<u>(246)</u>	<u>(2,571)</u>
Net nonoperating revenues	<u>94,147</u>	<u>217,879</u>
Net Income (Loss)	(141,560)	375,848
Capital contributions	2,672	8,455
Transfers out to other state funds	<u>(1,000,000)</u>	<u>(2,022,076)</u>
Increase/(decrease) in net assets	(1,138,888)	(1,637,773)
Total net assets, July 1	11,946,273	13,584,046
Total net assets, June 30	<u><u>\$10,807,385</u></u>	<u><u>\$11,946,273</u></u>

**STATE OF ARIZONA  
DEPARTMENT OF CORRECTIONS  
ARIZONA CORRECTIONAL INDUSTRIES  
Statement of Cash Flows - Enterprise Fund  
Year Ended June 30, 2003 and 2002**

	<b>2003</b>	<b>2002</b>
Cash flows from operating activity:		
Receipts from customers	\$18,926,739	\$17,453,043
Payments to suppliers for goods and services	(8,687,231)	(8,364,680)
Payments to employees	(4,350,037)	(4,262,668)
Payments to inmates	(4,971,763)	(4,988,521)
	<u>917,708</u>	<u>(162,826)</u>
Net cash used for operating activities		
Cash flows from noncapital financing activities:		
Cash transfers to other state funds	<u>(1,000,000)</u>	<u>(2,000,000)</u>
Net cash used for noncapital financing activities	<u>(1,000,000)</u>	<u>(2,000,000)</u>
Cash flows from capital and related financial activities:		
Proceeds from sale of capital assets	18,757	5,575
Purchases of capital assets	<u>(361,780)</u>	<u>(299,678)</u>
Net cash used for capital and related financing activities	<u>(343,023)</u>	<u>(294,103)</u>
Cash flows from investing activities:		
Interest received on investments	<u>106,265</u>	<u>240,706</u>
Net cash provided by investing activities	<u>106,265</u>	<u>240,706</u>
Net decrease in cash and cash equivalents	(319,050)	(2,216,223)
Cash and cash equivalents, July 1	<u>4,790,903</u>	<u>7,007,126</u>
Cash and cash equivalents, June 30	<u><u>\$4,471,853</u></u>	<u><u>\$4,790,903</u></u>

**STATE OF ARIZONA  
DEPARTMENT OF CORRECTIONS  
ARIZONA CORRECTIONAL INDUSTRIES  
Statement of Cash Flows - Enterprise Fund  
Year Ended June 30, 2003 and 2002**

	<b>2003</b>	<b>2002</b>
Reconciliation of operating income to net cash source/used for operating activities:		
Operating income (Loss)	(\$235,707)	\$157,969
Adjustments to reconcile operating income to net cash used for operating activities:		
Depreciation	643,255	673,237
Net changes in assets and liabilities:		
Accounts receivable	(15,831)	416,259
Inventories	(62,643)	(426,589)
Prepaid expenses	(494)	847
Accounts payable	753,351	(904,980)
Accrued payroll and employee benefits	25,299	56,837
Accrued compensated absences		21,802
Other accrued liabilities	(189,522)	(158,208)
Net cash source/used for operating activities	<u>\$917,708</u>	<u>(\$162,826)</u>

The following noncash transactions occurred during the year ended June 30, 2003:

Building improvements	332,820	9,379
Construction in progress completed	(332,820)	(9,379)
Depreciation expense for discontinued operations	246	2,571
Accumulated depreciation related to discontinued operations	(246)	(2,571)
Capital assets, net of accumulated depreciation	(2,654)	(9,887)
Loss on disposal of equipment	2,654	9,887
Donated equipment	2,673	8,455
Capital Contributions	(2,673)	(8,455)

